Saskatchewan
Local Government
Board

Annual Report
1979

Saskatchewan
Local Government
Board

104-01447/

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Saskatchewan

Saskatchewan
Local Government
Board

1920 Broad Street
Regina, Canada
S4P 3V6

January 31, 1980.

The Honourable Allan Blakeney,
President of the Executive Council,
Legislative Building,
Regina, Saskatchewan.

Sir:

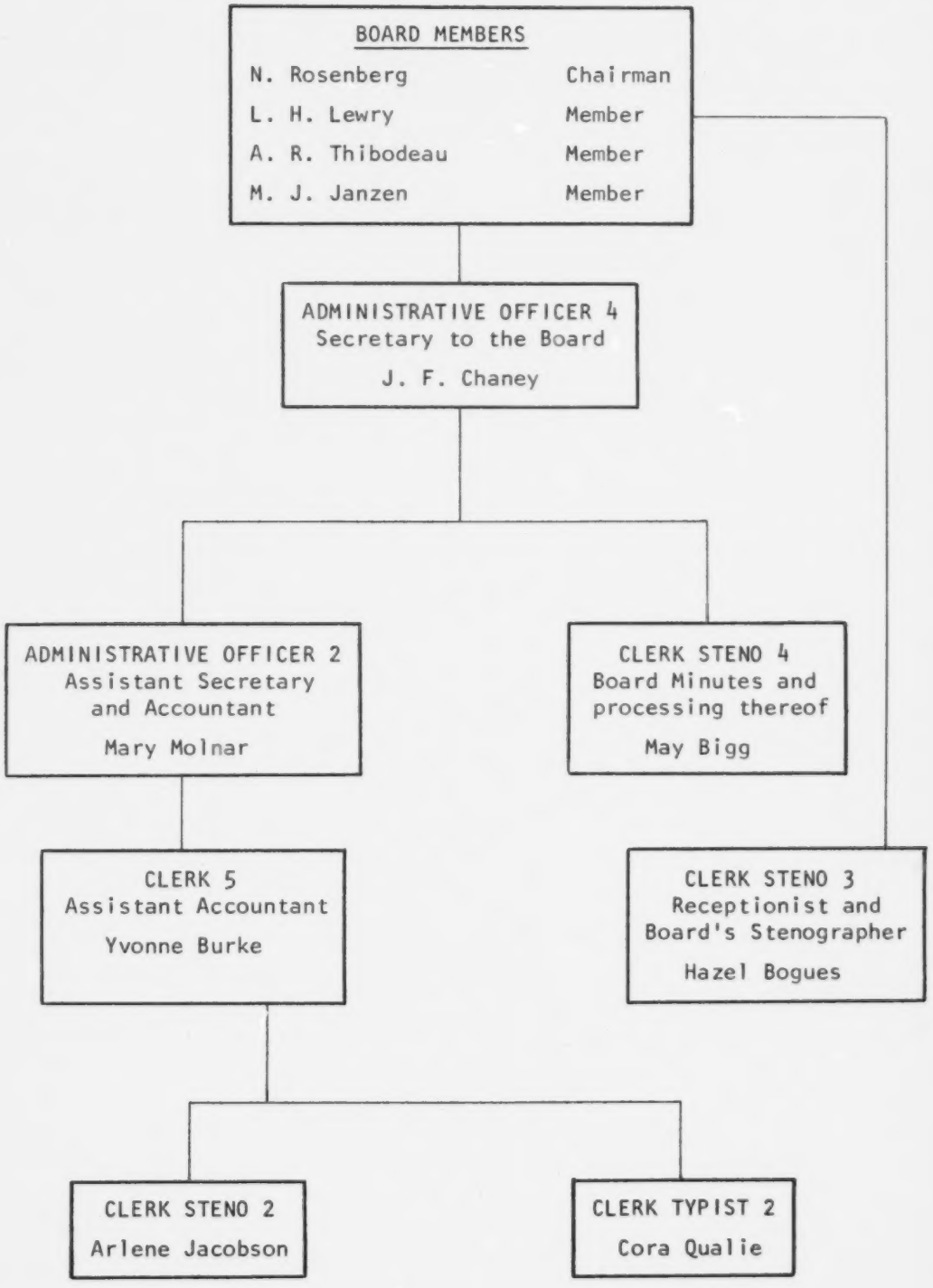
Pursuant to The Local Government Board Act, I have the honour to transmit to you on behalf of the Board the Report of The Local Government Board for the year ending December 31, 1979.

Respectfully yours,

N. Rosenberg,
Chairman.

CELEBRATE SASKATCHEWAN 1905-1980

THE LOCAL GOVERNMENT BOARD



December 31, 1979.

ANNUAL REPORT -- 1979

LEGAL BASIS

Established January 1, 1914, The Local Government Board exists by virtue of The Local Government Board Act which defines its jurisdiction and spells out its powers and procedures. In addition, some 34 other statutes (which are listed in Schedule A) assign to the Board a wide variety of responsibilities.

FUNCTIONS AND ACTIVITIES OF THE BOARD

As its title implies, The Local Government Board has something to do with local government authorities in Saskatchewan. These authorities include councils of cities, towns, villages and rural municipalities, boards of education of school divisions, and boards of union hospital districts, rural telephone companies and conservation and development areas. Nowhere in the statutes is there a statement of the Board's objectives in the local government field. However, over the sixty-five years since its establishment the Board has seen its mandate as being chiefly to ensure financial stability and preserve good credit ratings of local authorities. The provincial legislature in various statutes has designated the Board as the ultimate provincial authority to approve certain financial transactions of local authorities. The Board, therefore, performs a watchdog function and acts as a credit manager to ensure insofar as is reasonably possible that local authorities do not undertake projects beyond their means which could result in an inordinately high tax burden, or perhaps bankruptcy.

Among the Board's functions are the following:

(a) Approval of long-term loans. Legislation governing local authorities prohibits the creation of a debt not payable within the current year except with the permission of The Local Government Board. Long-term debts are normally secured by debentures. All debentures require the signature of the chairman and the seal of the Board as evidence that the issue has been authorized. Before signing and sealing the debentures the Board must be satisfied that the prescribed procedures relating to the issue of debentures have been scrupulously observed. Not all such debts are secured by debentures. Where a proposed debt is to be repaid over a shorter period of one to four years, the Board may permit a municipality to secure the debt by an ordinary promissory note or in other words to "defer" the debt beyond the current year. Such transactions are described as "deferrals".

(b) Approval to construct local improvement works under The Local Improvements Act. The Board's approval to construct a work and subsequently to specially assess the cost of such work against abutting or benefitting properties is required even when no long-term borrowing is contemplated by the municipality. In considering such applications for approval, the Board must be satisfied that the requirements of the Act as to notices, petitions, etc., have been met, that the necessary approvals of other agencies (such as the Department of the Environment with respect to water and sewer systems) have been received, and that the municipality has made adequate financial arrangements to pay for the total cost of the proposed work. In some cases the Board holds public hearings.

(c) Approval of local budgets and mill rates. Where in the opinion of the minister the financial position of a municipality warrants such action, the Board may, upon the request of the minister, require the municipality to submit to the Board for approval its annual budget and proposed mill rate. This situation arises from time to time in municipalities whose revenue fund liabilities at the end of the year are found to exceed its revenue fund assets. The approval of the budgets and mill rates in such cases generally involves one or more meetings with the local authority.

(d) Approval of capital trust fund transactions. The creation of a capital trust fund and subsequent additions to and withdrawals from the fund, are carried out by means of bylaws and resolutions requiring the approval of the Board. The legislation encourages municipalities to set aside surplus funds in a capital trust fund for the acquisition or replacement of capital assets, such as buildings and machinery. Municipalities receive from the Board advice as to the amount they should set aside in the fund annually and suggestions as to repayment of withdrawals from the fund.

(e) Approval of sinking fund transactions. The Urban Municipality Act stipulates that no part of the moneys at the credit of the sinking fund account of a municipality shall be invested without the prior approval of the Board to such investment. Only the cities of Regina and Saskatoon operate sinking funds for the retirement of certain of their debentures.

(f) Approval of certain agreements with senior governments. Housing and Special-care Home agreements and Land Assembly agreements require the Board's approval of the relevant bylaws with respect to such agreements. Under the

Agricultural Service Centres Agreement between the federal and provincial governments, the province does not enter into a subsidiary agreement with respect to any of the designated centres unless the centre concerned has made suitable arrangements with the Board for financing its share of the project cost. In considering applications for approval of agreements wherein the local authority is committed to future expenditures, the Board must examine the local authority's capability of discharging its obligations under the agreement.

(g) Performing the functions of a Public Utilities Board. Bylaws establishing water and sewer rates in towns and villages require the Board's approval to be valid. The Board in such cases must generally satisfy itself that the rates are reasonable and that they will yield sufficient revenues to pay the annual operating costs and debt charges of the utility. The Board is also involved in the approval of franchises for the supply of electricity to the Town of Creighton and a bus transportation franchise for the City of Prince Albert. In all franchise cases a public hearing is mandatory.

(h) Assisting local authorities to market their debentures. While the Board plays no part in the actual sales transactions, it does help in the marketing process by:
(1) offering advice to municipalities on marketing;
(2) determining and approving the interest rates which the debentures shall bear;
(3) approving the form and content of debentures; and
(4) providing investment dealers with information and list of approvals.

(i) Acting as the Board of Revenue Commissioners. The current four members of The Local Government Board have been appointed as the Board of Revenue Commissioners. The approval of the Board of Revenue Commissioners is required for the write-off of debts due the province. The Board of Revenue Commissioners also deals with appeals against the Finance Department's tax liability assessments under The Education and Hospitalization Tax Act. Although the Board of Revenue Commissioners is required to make an administrative rather than a judicial review, both the appellant and the Department are represented by legal counsel in such reviews, the Board hears evidence under oath, considers arguments advanced by both sides, and provides a written decision.

(j) Responding to requests from local officials for advice. Because the Board is comprised of members with considerable training and experience in local government finance and administration, many local authorities look to the Board for information and advice on financing of capital works and the procedures which should be followed in submitting applications to the Board. A good part of the Board Members' time, and that of its Secretary, is spent in meeting with delegations, discussions over the telephone, and responding to written enquiries. While this may not be one of the functions which the statutes require the Board to perform, the Board feels that it is time well spent if it helps municipalities and other local authorities to manage their finances effectively and to acquire needed capital works through prudent use of their borrowing powers.

As already indicated, The Local Government Board Act and other statutes give to the Board considerable power over municipal finances and related matters. To the local authorities, the Board's checks, controls and limitations upon the actions of their elected officials and its insistence upon full compliance with the statutes, may at times be irksome and an inconvenience. Nevertheless, it is believed that most people will admit the Board serves a useful purpose, and that as a result of the Board's activities local authorities are in a stronger financial position and are able to enjoy a better market for their debentures than otherwise might be the case.

BOARD DECISIONS

The process by which the Board carries out its statutory functions may be said to consist firstly of receiving an application from a municipal council or other local authority to do something which the statutes allow it to do only with the Board's permission, and secondly making a decision on the application and informing the applicant of the decision.

Section 26 of The Local Government Board Act requires the Board in conducting its inquiry and in arriving at its decision to take into account a large number of factors, namely:

(a) the period over which the indebtedness may be spread, based on the lifetime of the work or undertaking for which the application is made as may be estimated by the Board;

(b) any provincial financial assistance that may be available in support of the work or undertaking;

(c) the economic base on which the loan can be supported and the present and contemplated economic conditions in the community, with due allowance being given for change in the economic base or conditions;

(d) the impact of the work or undertaking on the total financial and budgetary position of the local authority;

(e) the impact of the work or undertaking on the revenue demands and taxation levels of the local authority;

(f) the level of services which the local authority is committed to provide and the estimated impact of the provision of those services on its ability to repay the loan over the period of repayment;

(g) any outstanding long-term financial commitments of the local authority and, in particular but without restricting the generality of the foregoing, any outstanding debentures and existing obligations of the local authority with respect to superannuation plans;

(h) such other matters as, in the opinion of the Board, relate to the local authority's ability to assume the liability of the proposed loan.

Because no two communities even of equal population are ever completely alike in their needs, economic resources, growth trends, management capabilities, and in kinds and levels of existing and anticipated local services, the Board cannot rely upon the application of any standard formula to determine what is a safe financial burden for a community to carry. Each application must be considered as unique, and the Board's decision can be reached only after examining and weighing a large number of relevant factors in the light of wisdom it has gained from past experience and its knowledge of present circumstances.

GUIDELINES FOR FINANCING CAPITAL EXPENDITURES

The Board is aware of the advantages claimed for the "pay-as-you-acquire" policy which involves no borrowing for capital purposes, and it is also familiar with the arguments favoring a "pay-as-you-use" policy, under which all capital expenditures would be financed by long term loans. While each has its advantages and its supporters, the Board does not advocate rigid adherence to either of these extreme positions.

However, to assist local authorities in developing and maintaining good credit ratings and a reputation for prudence and sound financial management, the Board over the years has followed a number of informal guidelines for financing of capital expenditures. These are:

1. Local authorities are encouraged to finance capital projects by building up reserves and by providing as much money as possible out of their current budgets. They are required to provide out of current revenues at least the equivalent of one year's debt charges in respect of the proposed debenture issue. By requiring the community and its leaders to face up to the fiscal realities immediately, this kind of action encourages responsible spending both as to the projects undertaken and the design and cost of the projects.

2. In granting approval of a borrowing bylaw, the Board stipulates that construction contracts shall not be awarded until the required financing has been arranged and the sale of the proposed debentures, at a price approved by the Board, has been assured.

3. Where the proposed work is a local improvement to be financed by special assessments against the abutting or benefitting property, municipalities are required to obtain prepayments of a significant portion of such special assessments. The proportion of the special assessment to be prepaid depends upon a number of factors and may vary from one community to another.

4. Water and sewer utility operations should be self-supporting, and where necessary municipalities are requested to adjust their utility rates so that utility revenues will take care of operating costs as well as annual debt charges.

5. With the exception of school divisions and local improvements to be financed by special assessments, local authorities as a rule are required to submit their borrowing bylaws to a vote of the burgesses.

6. Local authorities are often advised to issue debentures for relatively short terms so that the debt will be paid off in, say, 10 or 15 years even though the anticipated lifetime of the proposed work may be 20 to 25 years. The advantages of shorter repayment terms are obvious. Short term debentures are easier to sell, the interest savings are quite substantial, and early liquidation of the debt

enables the local authority to undertake some other capital works at an earlier date.

7. To the extent possible, local authorities are encouraged to sell their debentures locally rather than going to a distant market.

8. Municipalities are encouraged to establish and maintain capital trust funds. By anticipating future capital requirements, municipalities can minimize borrowing and save interest charges, which at current rates are not inconsequential.

9. Wherever practicable, the Board suggests financing part of a capital project by short term loans (called "deferrals") of two to four years, instead of issuing debentures.

10. The Board will not permit a borrowing arrangement whereby only the interest and no principal would be payable in the first few years.

COMMUNITY PRIORITIES

The Local Government Board is not directly involved in the setting of local priorities or in making decisions as to which of several needed projects shall be considered first. To establish priorities intelligently, it is necessary at the outset to ascertain what the community's objectives are, and to identify its needs and desires. It is necessary also to project capital expenditures over a period of years, and to indicate for each year the financial resources which will likely be available to the community. Since the resources rarely if ever are sufficient to pay all the things a community would like to have, the purchase or acquisition of some facilities and the satisfaction of some needs may have to be abandoned or postponed. Somebody must make decisions for the community upon the relative merits and priorities of the various projects which have been identified as community needs. It is the Board's view that the making of such decisions is clearly the responsibility of local community leaders, with or without public consultation or referendum.

Many municipalities now prepare and annually update a five-year capital works program showing their anticipated capital expenditures and probable financial resources. This was a requirement of the Community Capital Fund Program. The practice is commendable and it is hoped will be continued by the municipalities even after the current Community Capital Fund Program terminated on March 31, 1979. Occasionally, however, the Board is called upon to make a decision on a loan application without sufficient evidence that the community's total needs have been identified, weighed and considered. If in such a case the Board

is unable to grant immediate approval, local officials on occasion display disappointment and frustration at what may appear as interference from the Board in the setting of local priorities. Such delays and frustrations can generally be avoided by the submission in the first instance of a well thought out and documented capital works program.

Decisions on local priorities are often influenced by federal and provincial government policies and programs. The availability of grants for specific capital works such as street improvements, water and sewer systems and recreational facilities, induces municipalities to give top priority to one or the other of such projects in order to take advantage of federal or provincial grants which if not taken when available may be lost forever. The Community Capital Fund program was an exception since it was assured for a five-year period and allowed the municipalities to choose the projects for which the grants were to be used.

ADVISORY FUNCTION

The Board's familiarity with the many aspects of municipal financing has placed it in a good position to respond to requests from local authorities for financial advice. The Board's influence upon municipalities, therefore, extends somewhat beyond its powers to authorize or prohibit municipal borrowing. Because of its position, the Board is able to advise municipalities on such matters as the establishment of reserves and capital trust funds, and the terms of repayment of a proposed debt, all with a view to keeping the annual debt charges at an acceptable level and acquiring for their communities the needed capital facilities at the lowest possible debt cost.

To be able to assist and advise local authorities, the Board needs to be informed continuously of the programs and activities of various provincial and federal agencies. The Board is conscious of the increasing developmental role that the Department of Municipal Affairs is assuming with respect to municipalities. It is therefore important for the Board to maintain a close liaison with the Department, so as to facilitate as much as possible the implementation of the various provincial and federal programs in which the Department is involved.

BOARD MEETINGS AND WORKLOAD

During the year 1979 the Board held a total of 238 meetings. Business of the Board at these meetings involved consideration of the various applications and the issuing of authorizations as detailed in the various schedules contained in this report. Also dealt with were many other enquiries of a less formal nature. A large part of the Board's time is spent meeting

with delegations as well as travelling to various communities to meet with councils and boards in their own offices. For the further convenience of local authorities, the Board attends the annual convention of the Saskatchewan Association of Rural Municipalities and the Saskatchewan Urban Municipalities Association and makes itself available to meet delegations at the convention site.

The volume of loan applications and other business to be transacted by the Board varies from year to year, depending upon economic outlook and activity, government grant programs, availability of funds, interest rates and other factors. The Board's effectiveness can not be measured in terms of work units or other measures of productivity. What matters is not how many decisions the Board makes but how good the decisions are.

The effectiveness of the Board depends very largely upon the availability of up-to-date relevant data on Saskatchewan local governments. Unfortunately much of the desired information, if available at all, is out of date before it gets into Board hands (e.g. financial statements). Other data are obtainable only by specific requests directed to the municipalities concerned. Also there is some information which has never been compiled and which the Board feels it is important to have (e.g. composite picture of financial position of an area, showing the total debt of all local government units -- school, hospital, and other local authorities -- contained within the area). The acquisition, classification and recording of data which the Board requires for each local government unit is a difficult and time consuming activity.

ADVISORY COMMITTEE

In accordance with Section 6 of The Local Government Board Act, the Saskatchewan Association of Rural Municipalities, the Saskatchewan Urban Municipalities Association, the Saskatchewan School Trustees Association and the Saskatchewan Health-Care Association have appointed one member each to a committee to be associated with the Board for advisory purposes. The duties of the committee are to confer with the Board from time to time concerning matters of general interest in relation to carrying out of the Act.

The committee met once during the year. A copy of the report of the meeting held January 15, 1979, is attached hereto as Schedule "U".

REVENUES OF THE BOARD

The Board charges a fee for the authorization of debentures in accordance with the schedule set out in Saskatchewan Regulation 4/68. This Regulation also provides for a $10.00 fee for each

application to construct works as a local improvement. In addition, a fee of $10.00 is chargeable for every application for permission to raise money by way of debentures or other security, pursuant to Section 56 of The Local Government Board Act.

During the year 1979 the Board received a total of $64,280.28 in revenues. Comparative figures for the years 1978 and 1977 are $69,476.64 and $66,051.49 respectively. The Board's revenues obviously vary from year to year in accordance with the borrowing activities of local authorities. All receipts were deposited in the consolidated fund.

BOARD MEMBERSHIP, STAFF AND OFFICE

There were no changes in Board membership and staff during the year under review.

Board offices are located in ample and functional quarters on the 12th floor of the Chateau Tower at 1920 Broad Street.

The co-operation and support received throughout the year from the Board's seven staff members is gratefully acknowledged.

SCHEDULE A

STATUTES FORMING LEGAL BASIS FOR LOCAL GOVERNMENT BOARD ACTIVITIES

The Local Government Board Act
The Local Government Board (Special Powers) Act
The Local Government Board (Temporary Special Powers) Act
The Agricultural Societies Act
The Cemeteries Act
Charter of The Municipal Corporation of Uranium City and District
The Conservation and Development Act
The Education Act
The Federal-Provincial Agreements Act
The Gas and Electric Rates (Public Corporations) Act
The Health Services Act
The Housing and Special-care Homes Act
The Industrial Towns Act
The Lloydminster Hospital Act
The Local Improvements Act
The Major Urban Centres Integrated Hospitals Act
The Municipal Corporation of Uranium City and District Act
The Municipal Debentures Repayment Act
The Municipal Improvements Assistance (Saskatchewan) Act
The Municipal Public Works Act
The Power Corporation Act
The Public Health Act
The Public Libraries Act
The Public Utilities Companies Act
The Regional Parks Act, 1979
The Rural Municipality Act
The Rural Telephone Act
The Saskatchewan Housing Corporation Act
The Trustee Act
The Union Hospital Act
The Urban Municipal Elections Act
The Urban Municipality Act
The Water Rights Act
The Water Users Act

SCHEDULE B

DEBENTURES ISSUED 1970 - 1979

BY SASKATCHEWAN LOCAL AUTHORITIES

By Class of Issuing Authority

in Thousands of Dollars

	*CITIES		TOWNS		VILLAGES		SCHOOL DISTRICTS		SCHOOL UNITS		HOSPITALS		OTHERS		TOTALS	
Year	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.
1970	19	4,773	17	741	13	212	2	147	8	664	5	1,523	3	63	67	8,123
1971	26	9,316	26	680	7	119	13	1,594	14	974	2	365	8	83	96	13,131
1972	25	6,280	22	529	6	71	7	1,293	14	816	2	415	2	31	78	9,435
1973	23	4,373	25	596	4	56	15	1,316	14	746	1	600	5	71	87	7,758
1974	22	2,821	23	470	1	9	-	-	8	289	2	255	2	55	58	3,899
1975	33	13,911	20	611	1	11	10	5,749	16	1,989	2	316	1	14	83	22,601
1976	44	20,368	17	776	2	38	11	5,213	37	5,587	4	1,003	1	8	116	32,993
1977	24	15,156	30	4,711	3	51	19	7,975	23	3,391	2	360	1	9	102	31,653
1978	24	20,677	33	1,955	3	77	6	2,738	37	7,464	6	1,066	2	40	111	34,017
1979	18	12,906	47	3,700	4	134	35	8,788**	4	532	4	295	2	21	114	26,376

No. - Where it appears above means number of issues

* Does not include Lloydminster

** School Divisions

SCHEDULE C

DEBENTURES ISSUED BY SASKATCHEWAN CITIES

(INCLUDING ISSUES FOR COLLEGIATES, PUBLIC AND SEPARATE SCHOOLS)

1970 - 1979

in Thousands of Dollars

City	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979
Estevan	-	180	-	-	-	-	-	183	697	503
Lloydminster* ..	247	225	198	221	238	1,582	1,179	274	-	-
Melville	22	26	61	66	40	16	76	102	234	254
Moose Jaw	180	334	190	250	1,207	2,159	1,281	1,400	1,312	385
North Battleford	44	48	155	255	-	84	175	193	709	497
Prince Albert ..	-	186	1,718	603	283	334	1,509	145	2,579	1,277
Regina	720	2,114	3,561	2,924	472	6,555	15,484	11,106	13,272	8,480
Saskatoon	2,729	7,436	1,714	1,434	602	4,613	1,105	1,565	973	948
Swift Current ..	67	27	63	50	49	100	195	119	322	562
Weyburn	697	-	-	-	50	50	325	70	75	-
Yorkton	461	459	110	86	118	-	217	273	504	-
TOTALS	5,167	11,035	7,770	5,889	3,059	15,493	21,546	15,430	20,677	12,906

* Debenture issues for Lloydminster are authorized by Complementary Orders in Council of the Provinces of Alberta and Saskatchewan.

SCHEDULE D

DEBENTURE DEBT OF SASKATCHEWAN LOCAL AUTHORITIES

AS AT DECEMBER 31

IN THOUSANDS OF DOLLARS

Year	NET MUNICIPAL DEBT					School Debt (2)	Hospital Debt (3)	Telephone Debt	Grand Total
	City (1)	Town (1)	Village	R.M.	Total				
1969	94,727	36,424	12,042	1,117	144,310	78,415	11,225	1,310	235,260
1970	91,815	34,910	11,429	762	138,916	75,335	11,230	1,170	226,651
1971	90,784	33,198	10,616	535	135,133	73,408	10,620	1,032	220,193
1972	96,783	31,106	9,719	360	137,968	70,118	11,248	896	220,230
1973	90,158	29,027	8,710	260	128,155	67,993	10,825	784	207,757
1974	83,622	26,641	7,672	226	118,161	64,183	9,949	617	192,910
1975	90,189	24,322	6,594	172	121,277	66,345	9,631	480	197,733
1976	91,955	22,355	5,471	138	119,919	82,683	9,637	319	212,558
1977	91,217	20,981	4,109	119	116,426	101,010	9,559	38	227,033
1978	103,310	20,718	3,694	99	127,821	103,540	9,467	2	113,009

NOTE: The above table does not include debenture debt for Conservation and Development Areas.

These figures were compiled from reports obtained from the Department of Municipal Affairs and from Local Government Board records.

(1) - Excludes net secondary school debt.
(2) - Includes net secondary school debt. Borrowings for secondary schools are carried out by urban municipality in which they are located.
(3) - Excludes municipal hospital debt for Regina and Saskatoon. In these cases the net hospital debt is included in the City Municipal debt figure. (Hospital debt shown as at March 31, 1980)

SCHEDULE E

DEBENTURES SIGNED AND SEALED BY THE LOCAL GOVERNMENT BOARD IN THE YEAR 1979

Local Authority	No. of Issues	Total Face Value	Average Money Cost %
CITIES			
Estevan	2	503,169	9.1153 - 10.50
Melville	2	253,588	8.00 - 9.7077
Moose Jaw	1	385,000	10.00
North Battleford	1	497,000	9.928
Prince Albert	2	1,277,224	9.5151 - 10.561
Regina	5	8,480,000	10.375 - 11
Saskatoon	3	948,494	10.25
Swift Current	2	561,736	9.6789 - 10.50
Total	18	$12,906,211	
TOWNS			
Bengough	1	115,000	10.50
Biggar	2	50,532	8.8326
Birch Hills	1	19,723	9.7256
Canora	2	140,000	9.5380 - 10.25
Carlyle	1	45,000	9.518
Carnduff	2	87,299	9.8566 - 10.25
Carrot River	2	106,286	10.00 - 10.1188
Coronach	2	162,053	9.7256
Esterhazy	3	132,070	9.7605 - 10.00
Foam Lake	2	30,805	10.50
Humboldt	1	210,727	10.422
Indian Head	1	99,026	10.25
Kamsack	1	162,089	9.4621
Langham	1	40,247	10.25
Maidstone	1	79,702	9.7256
Meadow Lake	1	262,678	9.942
Melfort	1	384,249	8.8887

SCHEDULE E (Cont'd)

Local Authority	No. of Issues	Total Face Value	Average Money Cost %
Moosomin	2	237,668	8.7745 - 10.5574
Nipawin	3	339,473	9.7256 - 10.02
Outlook	2	19,093	10.00
Oxbow	1	56,000	10.340
Preeceville	1	7,133	9.50
Radville	1	60,000	10.4485
Rosetown	1	15,000	9.4971
Star City	2	52,836	10.250
Stoughton	1	185,938	10.50
Tisdale	2	316,000	10.019 - 10.482
Unity	1	48,000	9.5217
Wadena	1	39,816	10.127
Wakaw	1	70,000	10.3940
Warman	1	58,000	10.103
Wawota	1	57,000	9.704
Wynyard	1	10,241	10.25
Total	47	3,699,684	

VILLAGES

Ceylon	1	38,000	9.50
Frontier	1	56,800	10.50
Kennedy	1	31,917	10.25
Wishart	1	7,367	9.75
Total	4	$134,084	

RURAL MUNICIPALITIES

NIL

SCHOOL DIVISIONS

Assiniboia No. 69	2	404,000	9.925 - 9.927
Battle River No. 60	1	169,000	10.056
Borderland No. 68	2	179,000	10.483 - 10.50
Buffalo Plains No. 21	2	174,000	10.50 - 10.055
Estevan No. 95	1	99,000	9.929

SCHEDULE E (Cont'd)

Local Authority	No. of Issues	Total Face Value	Average Money Cost %
Grand Coulee No. 110	1	284,000	10.055
Grenfell No. 92	1	334,000	10.50
Herbert No. 79	2	353,000	9.831 - 9,853
Hudson Bay No. 52	1	153,000	10.456
Indian Head No. 19	2	576,000	10.483 - 10.50
Kamsack No. 35	1	99,000	10.125
Leader No. 24	1	251,000	10.413
Medstead No. 64	1	300,000	10.50
Milestone No. 74	1	66,000	10.483
Prince Albert No. 56	1	314,000	10.50
Rosthern No. 49	2	833,000	10.50
St. Paul's R.C.S. No. 20	5	923,000	10.50
Saskatoon No. 13	1	1,342,000	10.437
Saskatoon (East) No. 41	5	1,500.000	10.375 - 10.862
Saskatoon (West(No. 42	1	263,000	10.57
Wood River No. 70	1	172,000	10.50
Total	35	$8,788,000	
SCHOOL UNITS			
Humboldt No. 47	3	395,000	9.805 - 9.811
Meadow Lake No. 66	1	137,000	9.584
Total	4	$532,000	
UNION HOSPITAL DISTRICTS			
Cupar	1	35,000	9.875
Herbert-Morse	1	80,000	10.375
Paradise Hill	1	80,000	9.50
Wolseley Memorial	1	100,000	10.453
Total	4	$295,000	

SCHEDULE E (Cont'd)

Local Authority	No. of Issues	Total Face Value	Average Money Cost %
CONSERVATION & DEVELOPMENT AREAS			
Burgis	1	3,200	9.50
Flett's Springs	1	18,000	11.00
Total	2	$21,200	
RURAL TELEPHONE COMPANIES			
NIL			
TOTAL ALL LOCAL AUTHORITIES	114	$26,376,179	

SCHEDULE F

ANALYSIS OF PURPOSES
FOR WHICH DEBENTURES WERE ISSUED
FOR THE YEAR 1979

Engineering Structures:	
Water Mains, Sewer Mains, Hydrants and Services	$ 1,092,789
Storm Sewers	1,005,348
Sanitary Sewers	144,000
Sewage Treatment and Lagoons	4,560,904
Reservoirs	720,000
Water Plant Modifications	785,112
Water Supply Improvements	319,444
Sidewalks, Curbs and Gutters	2,151,672
Road, Streets and Pavement	2,720,428
Railway Line Relocation	1,542,000
Traffic Lights and Street Lighting	666,000
Park Systems and Landscaping	432,000
Fire Fighting Equipment	200,000
Other Engineering Structures	21,200
Buildings:	
Schools	9,320,000
Hospitals	295,000
Machinery and Equipment for:	
Transportation Services	400,282
Total Debentures Issued	$26,376,179

SCHEDULE G

ANALYSIS OF DEBENTURE SALES

IN THE YEAR 1979

Lender	Amount	% of Total
Federal Government Agencies:		
C.M.H.C.	787,008	2.98
Provincial Government:		
Department of Municipal Affairs	2,012,609	7.63
Provincial Government Agency:		
Municipal Financing Corporation	8,142,100	30.87
Other Local Government	51,000	.19
Own Municipality's Reserves, Trust and Pension Funds, etc.	6,585,505	24.97
Chartered Bank	195,678	.74
Investment Dealer or Syndicate	1,473,000	5.59
Credit Union	863,672	3.27
Canadian Public:		
Over the Counter	6,265,607	23.76
Total Debenture Issues	$26,376,179	100.00

SCHEDULE H

CREATION OF DEBTS NOT PAYABLE WITHIN THE CURRENT YEAR AUTHORIZED BY THE LOCAL GOVERNMENT BOARD IN THE YEAR 1979

Local Authority	Amount of Authorizations	No. of Authorizations	Term (Years)
CITIES			
Yorkton	851,000	4	1,2,3
Total	$851,000	4	
TOWNS			
Arcola	15,000	1	1
Assiniboia	200,000	1	1
Canora	83,560	2	2,4
Carnduff	127,182	1	4
Cut Knife	139,000	2	1,4
Delisle	163,000	2	4
Eston	138,000	3	4,5
Kipling	50,000	1	1
Lampman	26,000	1	4
Langenburg	48,770	1	3
Lashburn	169,000	1	1
La Ronge	465,000	1	4
Maidstone	75,000	1	4
Martensville	73,887	1	1
Melfort	120,000	1	4
Mossbank	30,000	1	4
Naicam	20,000	1	3
Nipawin	12,000	1	4
Norquay	5,150	1	2
Radisson	23,000	1	4
Radville	33,500	1	4
Rocanville	50,000	1	1
Rosthern	21,000	1	3
Shaunavon	80,000	1	4
Spiritwood	60,000	1	4

SCHEDULE H (Cont'd)

Local Authority	Amount of Authorizations	No. of Authorizations	Term (Years)
Stoughton	5,000	1	1
Strasbourg	41,500	1	4
Sturgis	6,264	1	2
Tisdale	210,000	2	4
Uranium City, Municipal Corporation of	600,000	2	4
Total	$3,090,813	37	

VILLAGES

Borden	10,000	1	4
Ceylon	25,000	1	1
Clavet	7,500	1	4
Climax	79,190	2	4
Conquest	10,400	1	4
Debden	52,700	1	4
Elbow	33,500	1	4
Endeavour	8,000	1	1
Frontier	70,000	2	4
Hague	50,000	1	2
Invermay	3,296	1	2
Lestock	125,000	1	1
Love	11,332	1	4
Marcelin	44,500	1	4
Marshall	75,000	1	1
Montmartre	20,000	1	5
Paradise Hill	75,000	1	3
Perdue	38,000	1	4
Spy Hill	35,000	1	1
Waldron	15,000	1	4
Windthorst	25,000	1	4
Total	$813,418	23	

SCHEDULE H (Cont'd)

Local Authority	Amount of Authorizations	No. of Authorizations	Term (Years)
RURAL MUNICIPALITIES			
Arborfield No. 456	40,000	1	4
Argyle No. 1	30,000	1	4
Arm River No. 252	38,000	2	4
Big Arm No. 251	33,000	1	2
Bjorkdale No. 426	36,000	1	3
Blaine Lake No. 434	26,000	1	4
Buckland No. 491	50,000	1	3
Cana No. 214	20,000	1	1
Churchbridge No. 211	76,000	1	4
Clayton No. 333	6,000	1	3
Cut Knife No. 439	99,750	1	1
Duck Lake No. 463	50,000	1	4
Eyebrow No. 193	29,000	1	4
Fertile Valley No. 285	543,000	1	2
Francis No. 127	43,500	1	4
Garden River No. 490	26,000	1	4
Glen Bain No. 105	55,000	1	2
Good Lake No. 274	4,890	1	2
Grant No. 372	40,000	1	1
Great Bend No. 405	27,100	1	4
Hart Butte No. 11	88,500	1	2
Hazelwood No. 94	33,000	1	4
Insinger No. 275	41,700	1	3
Invermay No. 305	4,650	1	2
Lakeside No. 338	90,000	1	3
Langenburg No. 181	30,000	1	2
Leask No. 464	32,000	1	4
Mariposa No. 350	20,000	1	2
McKillop No. 220	80,000	1	4
McLeod No. 185	30,000	1	2
Moose Range No. 486	200,000	1	2
Mount Hope No. 279	30,000	1	1
Progress No. 351	38,000	1	4
St. Philips No. 301	25,000	1	3
Shellbrook No. 493	60,000	1	4
Silverwood No. 123	40,000	1	4
Sliding Hills No. 273	39,000	1	3
Star City No. 428	130,000	1	4
Surprise Valley No. 9	86,000	1	1
Torch River No. 488	60,000	1	3
Tullymet No. 216	15,000	1	3
Walpole No. 92	36,000	1	4
Willner No. 253	18,000	1	4
Total	$2,500,090	44	

SCHEDULE H (Cont'd)

Local Authority	Amount of Authorizations	No. of Authorizations	Term (Years)
SCHOOL DIVISIONS			
Canora No. 37	30,000	1	4
Davidson No. 31	25,500	1	3
Grenfell No. 92	46,000	1	4
Hudson Bay No. 52	50,000	1	4
Indian Head No. 19	115,365	1	3
Meadow Lake No. 66	90,000	1	2
Moosomin No. 9	18,000	1	3
Parkland No. 63	30,600	1	4
Radville No. 67	128,000	2	4
Rosthern No. 49	124,000	1	4
Saskatoon (East) No. 41	205,000	3	4
Yorkton No. 86	8,000	1	2
Total	$870,465	15	
TOTAL ALL LOCAL AUTHORITIES	$8,125,786	123	

SCHEDULE I

ANALYSIS OF PURPOSES

FOR WHICH DEBTS IN SCHEDULE "H" WERE CREATED

IN THE YEAR 1979

Engineering Structures:	
Sewer and Water Mains, Hydrants and Services	$1,063,802
Reservoirs, Treatment Plants and Water Wells	1,137,359
Sewage Treatment	427,000
Sewage Lagoon	50,000
Storm Sewers	16,300
Crushing and Stockpiling Gravel	20,000
Road Construction	869,250
Street Repairs	4,000
Buildings:	
Fire Station	130,000
Theatres, Arenas and Recreation Buildings	1,176,000
Schools	749,865
Other Buildings	592,000
Machinery and Equipment for:	
Protective Services	62,500
Transportation Services	1,725,900
Purchasing Shares	51,810
Purchasing Land	50,000
	$8,125,786

SCHEDULE J

AUTHORIZATIONS TO BORROW BY WAY OF DEBENTURE

GRANTED BY THE LOCAL GOVERNMENT BOARD

IN THE YEAR 1979

CITIES	Amount of Authorizations	No. of Authorizations
Estevan	$ 392,000	1
Melville	253,588	2
Moose Jaw	2,960,000	3
North Battleford	299,000	2
Prince Albert	1,277,224	4
Regina	8,060,000	13
Saskatoon	10,216,494	4
Swift Current	562,066	2
Yorkton	431,535	3
Total	$24,451,907	34
TOWNS		
Battleford	$ 182,211	2
Bengough	115,000	1
Biggar	296,496	3
Blaine Lake	200,000	1
Canora	140,000	2
Carlyle	75,000	1
Carnduff	80,000	1
Carrot River	28,000	1
Cupar	50,000	1
Cut Knife	64,000	1
Davidson	72,000	1
Esterhazy	100,000	1
Foam Lake	25,454	1
Hudson Bay	232,000	1
Humboldt	210,727	1
Indian Head	135,000	1
Kamsack	162,089	1
Lashburn	165,000	2
Maple Creek	131,415	2
Ituna	99,324	1

SECTION J (Cont'd)

TOWNS	Amount of Authorizations	No. of Authorizations
Meadow Lake	$ 525,400	1
Melfort	826,039	4
Moosomin	226,514	4
Nipawin	469,445	5
Outlook	141,909	4
Oxbow	56,000	1
Preeceville	7,133	1
Radville	60,000	1
Rosetown	15,000	1
Stoughton	185,938	2
Sturgis	111,000	2
Tisdale	69,282	3
Unity	164,956	3
Wadena	39,816	2
Watson	51,275	1
Whitewood	88,000	1
Total	$5,601,423	62

VILLAGES		
Bethune	$ 35,000	1
Ceylon	38,000	1
Debden	40,000	1
Frontier	56,800	1
Marcelin	30,000	1
Total	$ 199,800	5

RURAL MUNICIPALITIES		
Wilton No. 472	$ 180,000	1
Total	$ 180,000	1

SECTION J (Cont'd)

SCHOOL DIVISIONS	Amount of Authorizations	No. of Authorizations
Battle River No. 60	$ 372,000	2
Borderland No. 68	179,000	2
Buffalo Plains No. 21	105,000	1
Canora No. 37	48,000	1
Estevan No. 95	264,000	1
Hudson Bay No. 52	153,000	1
Indian Head No. 19	756,000	3
Leader No. 24	251,000	1
Mestead No. 64	300,000	1
Prince Albert Rural No. 56	314,000	1
Rosthern No. 49	833,000	2
St. Paul's R.C.S. No. 20	923,000	5
Saskatoon No. 13	1,342,000	1
Saskatoon (East) No. 41	342,000	2
Saskatoon (West) No. 42	263,000	1
Wood River No. 70	172,000	1
Total	$6,617,000	26

UNION HOSPITAL DISTRICTS		
Carrot River	$ 115,000	1
Leoville	10,000	1
Meadow Lake	266,000	1
Paradise Hill	80,000	1
Wolseley Memorial	100,000	1
Total	$ 571,000	5

CONSERVATION AND DEVELOPMENT AREAS

NIL

TOTAL ALL LOCAL AUTHORITIES	$37,621,130	133

SCHEDULE K

ANALYSIS OF PURPOSES

FOR WHICH AUTHORIZATIONS IN SCHEDULE "J" WERE GRANTED

IN THE YEAR 1979

Engineering Structures:	
Reservoirs	$ 2,010,371
Water Mains, Sewer Mains, Hydrants and Services	1,778,432
Sewage Treatment and Disposal	2,735,000
Sewage Lagoon and Facilities	1,162,800
Storm Sewers	230,382
Water Plant Modifications	114,039
Water Pumping Stations and Treatment Plants	1,113,400
Upgrading Golf Course	500,000
Dredging	335,000
Railway Relocation	1,800,000
Roads, Street Paving, Sidewalks, Curbs and Gutters	15,147,431
Buildings:	
Health Branch Office and Clinic	565,000
Police Building	2,575,000
Threatres, Arenas and Recreational	186,275
Schools	6,437,000
Hospitals	571,000
Other Buildings	180,000
Machinery and Equipment for:	
Transporation	180,000
Total	$37,621,130

SCHEDULE L

REFUSALS OF APPLICATIONS TO BORROW BY WAY OF DEBENTURE AND SHORT TERM LOAN FOR ALL LOCAL AUTHORITIES IN THE YEAR 1979

Local Authority	No. of Refusals for Debentures	No. of Refusals for Short Term Loans	Amount
Cities			
Regina	1	-	$180,000

SCHEDULE M

PROPOSED LOCAL IMPROVEMENT PROJECTS APPROVED

BY THE LOCAL GOVERNMENT BOARD

IN THE YEAR 1979

Municipality	No. of Projects	Type of Proposed Work and Estimated Cost			
		Total	Water/Sewer Mains	Storm Sewers	Surface Works
CITIES					
Estevan	6	751,640	61,000		690,640
Melville	7	163,768	50,500		113,268
Moose Jaw	12	1,159,400	180,600		978,800
North Battleford	4	113,077			113,077
Prince Albert	13	2,674,200	32,500	1,296,600	1,345,100
Regina	6	2,329,140	395,740		1,933,400
Saskatoon	3	403,040			403,040
Swift Current	5	529,308			529,308
Weyburn	9	896,817	104,660		792,157
Yorkton	2	206,038			206,038
Totals	67	$9,226,428	$825,000	$1,296,600	$7,104,828

SCHEDULE M

Type of Proposed Work and Estimated Cost

Municipality	No. of Projects	Total	Water/Sewer Mains	Storm Sewers	Surface Works
TOWNS					
Assiniboia	3	319,930		63,895	256,035
Battleford	1	18,700	18,700		
Bienfait	1	175,000			175,000
Biggar	6	384,100	7,700		376,400
Birch Hills	2	215,000			215,000
Carrot River	2	85,100	85,100		
Duck Lake	2	54,175	54,175		
Eastend	2	24,320	24,320		
Esterhazy	5	992,140	4,600		987,540
Gravelbourg	1	80,000			80,000
Hudson Bay	7	371,188	99,050		272,138
Humboldt	2	536,580			536,580
Kindersley	2	244,220			244,220
Kipling	1	278,706			278,706
La Ronge	2	274,313	274,313		
Leader	5	832,737		29,557	803,180
Maple Creek	3	208,007	168,647		39,360
Meadow Lake	1	173,888	173,888		
Melfort	4	312,420			312,420
Nipawin	2	655,275			655,275
Outlook	5	152,996			152,996
Preeceville	2	29,800	29,800		
Redvers	8	850,222	63,140		787,082
Rocanville	1	250,000			250,000

SCHEDULE M

Municipality	No. of Projects	Type of Proposed Work and Estimated Cost Total	Water/Sewer Mains	Storm Sewers	Surface Works
Rosetown	3	170,270	40,000	72,500	57,770
Rose Valley	2	15,200	15,200		
Rosthern	3	190,356	11,500		178,856
Spiritwood	1	268,100			268,100
Tisdale	8	531,146	38,000		493,146
Unity	4	545,376			545,376
Warman	2	74,102	74,102		
Wilkie	1	110,000	110,000		
Wynyard	4	789,712			789,712
Totals	98	$10,213,079	$1,292,235	$165,952	$8,754,892
VILLAGES					
Canora	1	3,600	3,600		
Davidson	1	17,500		17,500	
Drake	1	24,600	24,600		
Dundurn	1	226,000			226,000
Paynton	2	60,000	60,000		
Watrous	2	13,129			13,129
Totals	8	$344,829	$88,200	$17,500	$239,129
TOTAL OF ALL MUNICIPALITIES	173	$19,784,336	$2,205,435	$1,480,052	$16,098,849

SCHEDULE N

CAPITAL TRUST FUND TRANSACTIONS

APPROVED BY THE LOCAL GOVERNMENT BOARD

IN THE YEAR 1979

	Creation of New Funds and Re-establishment of Existing Funds		Addition to Funds		Withdrawals from Funds	
	Number	Amount of New Funds	Number	Amount	Number	Amount
Cities	-	-	-	-	8	1,277,360
Towns	6	225,000	5	107,000	25	571,123
Villages	5	60,000	4	115,900	9	158,500
Rural Municipalities	38	80,000	40	1,232,440	85	2,867,899
	49	$365,000	49	$1,455,340	127	$4,874,882

SCHEDULE O

PURPOSES FOR WHICH CAPITAL TRUST FUNDS WERE WITHDRAWN

Local Authority	Purpose of Withdrawal	Amount
CITIES	Buildings and Repairs	759,860
	Street Lighting	22,500
	Storm Sewers	153,000
	Machinery and Equipment:	
	Protective	215,000
	Transportation	127,000
	Total	$1,277,360
TOWNS	Buildings and Repairs	227,600
	Street Construction	10,000
	Purchasing Crushed Gravel	10,000
	Airstrip Improvements	50,000
	Water Storage Reservoirs	27,000
	Sewer and Water Mains	8,873
	Storm Sewers	75,000
	Water Supply Line and Lagoon	18,000
	Machinery and Equipment:	
	Protective	2,000
	Transportation	142,650
	Total	$571,123
VILLAGES	Dam and Water Treatment Plants	44,500
	Pumping Station	21,250
	Sewage Lagoon and Water Storage Reservoirs	77,250
	Buildings and Repairs	13,000
	Machinery and Equipment:	
	Transportation	2,500
	Total	$158,500
RURAL MUNICIPALITIES	Buildings and Repairs	112,500
	Machinery and Equipment:	
	Protective	26,000
	Transportation	2,729,399
	Total	$2,867,899
	Grand Total	$4,874,882

SCHEDULE P

MUNICIPAL ESTIMATES APPROVED AND TAX RATES
AUTHORIZED BY THE LOCAL GOVERNMENT BOARD
IN THE YEAR 1979

LOCAL AUTHORITY	ESTIMATED EXPENDITURES	TAX RATE
RURAL MUNICIPALITIES		
Hoodoo No. 401	381,560	70

SCHEDULE Q

INQUIRIES AND HEARINGS

CONDUCTED BY THE LOCAL GOVERNMENT BOARD

IN THE YEAR 1979

Date	Local Authority	Subject of Inquiry or Appeal
May 2, 1979	Town of Assiniboia	Storm Sewers
May 10, 1979	City of Prince Albert	Storm Sewers
August 9, 1979	Town of Leader	Storm Sewers
September 6, 1979	Town of Hudson Bay	Local Improvements
September 6, 1979	Town of Rosetown	Storm Sewers

SCHEDULE R

ORDERS ISSUED BY THE LOCAL GOVERNMENT BOARD UNDER SECTION 10 OF THE PUBLIC HEALTH ACT AND SECTIONS 12 AND 49 OF THE UNION HOSPITAL ACT IN THE YEAR 1979

Public Health Act (Section 10)

Melfort-Tisdale No. 11 Moose Jaw-Assiniboia-Gravelbourg No. 2 North Battleford No. 13 Prince Albert No. 12 Regina Rural No. 5 Rosetown-Biggar-Kindersley No. 7 Saskatoon Rural No. 8 Swift Current No. 1 Weyburn-Estevan No. 3 Yorkton-Melville No. 10	Fixing the amount of cost to be borne by participating municipalities in Health Regions

Union Hospital Act (Section 12)

Central Butte Coronach Lafleche Lashburn Meadow Lake	Melfort Moose Jaw Nipawin Nokomis Wolseley Memorial	Fixing share of estimated cost to be borne by participating areas (establishment) redistribution and redefined areas in Union Hospital Districts

Union Hospital Act (Section 49)

Carrot River Foam Lake Gainsborough Herbert-Morse Langenburg Wakaw	Authorizing levy to create surplus for Capital Reserve Funds in Union Hospital Districts

SCHEDULE S

HOUSING COMPANY AGREEMENTS APPROVED

Under The Housing and Special-care Homes Act

in the Year 1979

BETWEEN	AND
Gateway Lodge Limited	Town of Canora
	Town of Norquay
	Town of Sturgis
	Village of Buchanan
	Village of Hyas
	Village of Invermay
	Village of Rama
	Village of Stenen
	R.M. of Buchanan No. 304
	R.M. of Clayton No. 333
	R.M. of Good Lake No. 274
	R.M. of Invermay No. 305
	R.M. of Keys No. 303
	R.M. of Sliding Hills No. 273

SCHEDULE T

WATER RATES AND/OR SEWER SERVICE CHARGE BYLAWS APPROVED BY THE BOARD IN 1979

TOWNS

Battleford
Bengough
Bienfait
Blaine Lake
Bredenbury
Cupar
Cut Knife
Davidson
Eatonia
Foam Lake
Fort Qu'Appelle
Herbert
Hudson Bay
Indian Head
Kipling
Lampman
Langenburg
La Ronge
Leader
Lumsden
Luseland
Macklin
Meadow Lake
Midale
Moosomin
Naicam
Nokomis
Oxbow
Pontiex
Radville
Rocanville
Rosetown
St. Walburg
Scott
Shaunavon
Shellbrook
Spiritwood
Stoughton
Sturgis
Tisdale
Uranium City
Municipal Corporation
Wapella
Warman
Watrous
Wawota
Whitewood
Willowbrook
Wynyard

VILLAGES

Bethune
Climax
Conquest
Dalmeny
Debden
Fox Valley
Frontier
Goodsoil
Hague
Halbrite
Invermay
Jansen
Kisbey
Lancer
Lestock
Lucky Lake
Marcelin
Margo
Marshall
Maryfield
Meyronne
Milden
Paddockwood
Perdue
Pierceland
Prud'homme
Rabbit Lake
Regina Beach
Rhein
St. Brieux
St. Gregor
Semans
Senlac
Southey
Theodore
Vanscoy
Veregin
Viscount

SCHEDULE U

REPORT ON MEETING OF THE ADVISORY COMMITTEE TO THE LOCAL GOVERNMENT BOARD

A meeting of the Advisory Committee to the Local Government Board was held in the 12th Floor Board Room, 1920 Broad Street, Regina, Saskatchewan, at 9:30 a.m. on Monday, January 15, 1979.

Present:

Mr. N. Rosenberg, Chairman, Local Government Board

Mr. L. H. Lewry, Member, Local Government Board

Mr. M. J. Janzen, Member, Local Government Board

Mr. A. C. Steiert, Representative, The Saskatchewan Association of Rural Municipalities

Mr. E. J. Brady, Representative, The Saskatchewan Urban Municipalities Association

Mr. H. M. Bean, Representative, The Saskatchewan School Trustees Association

Mr. E. Moen, Representative, The Saskatchewan Health-Care Association

Mr. Rosenberg, acting as Chairman of the meeting, welcomed the members of the Advisory Committee, and invited suggestions from them regarding ways of improving procedures.

On a motion by Mr. H. Bean the proposed agenda as developed by the Board, a copy of which had been supplied to each committee member, was adopted as the agenda to govern the meeting.

SCHEDULE U (Cont'd)

A G E N D A

1. Introduction

2. Agenda - Review
   - Additions and/or Revisions

3. Special problems by various local governments:
   (a) Urban
   (b) Rural
   (c) Schools
   (d) Hospitals

4. Markets for the sale of debentures

5. Debt limits

6. Capital Trust Funds

7. Cash down-payments

8. (a) Other matters of interest to the Committee
   (b) Role of the Local Government Board to Local Governments in Saskatchewan

9. Adjournment

3. Special problems by various local governments

(a) Urban

Mr. Brady, the urban representative, stated that he had not encountered a lot of criticism of the present Saskatchewan Local Government Board, either in general or at Regional meetings of the association. There was the usual desire of administrators to avoid as far as possible an excess of "red tape" and to expedite the paper flow.

Mr. Brady further mentioned that SUMA will be pleased to publish information regarding procedures relating to matters under Board jurisdiction, in the Bulletin. (This material would be restricted to informational data - without promotional material).

The matter of the necessity for obtaining Board approval to give grants in excess of one-half mill on the taxable assessment was discussed. Mr. Brady mentioned that the legislation was to be

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amended, in order to remove the requirement for grants to road ambulance associations to be included with any other grants. Mr. Rosenberg mentioned that some municipalities liked having the statutory requirement for Board approval of grants in excess of one-half mill, although the matter was controversial, and many municipalities did not like this provision.

(b) Rural

Mr. Steiert, the rural representative, mentioned that he had spoken at many district meetings of SARM, and had received no criticism from association members regarding the Board and its dealings with municipalities. He is encouraging municipalities to increase Capital Trust Fund reserves wherever possible, in view of the increasing cost of equipment, etc. The matter of revenue sharing was being reviewed by the Minister (about sixty municipalities do not qualify now). Recreation costs are increasing all the time, and some urban municipalities were finding themselves short of funds for this purpose. One solution would be for the rural municipalities to underwrite a larger share of the recreation costs in the area.

(c) Schools

Mr. Bean, the schools representative, pointed out that the actions of School Divisions were subject to the jurisdiction of both the Department of Education and the Local Government Board. He had not received many complaints regarding the Board's activities - most complaints were directed at the Department. A problem was that there was no feedback of information from school administrators relating to the Board. He offered to accommodate small informational releases regarding procedures in weekly news bulletins. He mentioned some of the problems encountered by school authorities in accommodating changing enrolments. For example, there has been an increase in population in the Qu'Appelle Valley area, in such "dormitory" communities as Pense, Grand Coulee, etc. There have been shifts in population in cities and towns, coupled with problems in core areas. Declining populations should allow more economical school operations, but parents do not wish the scope of programs to be reduced, and teachers do not wish staff to be reduced. It can prove to be difficult to effect economies, due to pressures from parent and teacher groups.

Mr. Janzen reviewed briefly the changes in borrowing procedures brought about by the new Education Act. He assured the representatives that all applications were reviewed carefully by the Board, according to the financial status of the school authorities, even though Departmental financial support is made available. Some jurisdictions that had been in a surplus position were now in a deficit position, and mill rates in some cases were below the

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computational mill rate. At one time the Department did not encourage surpluses, but it now requires surplus funds to be used on a refundable basis, with interest over two to three years. He pointed out that the new act made no reference to borrowing limits, and he wondered what was the attitude of school jurisdictions to this change. He compared the borrowing application procedures under the previous legislation with those under the new act. Previously a school authority submitted a resolution to the Board, and the Board authorized borrowing, subject to a vote in the case of School Districts. No vote was required for School Units. The new procedure is that if a jurisdiction is going to apply to the Board for permission to borrow, it must first advertise a "notice of intent" and hold a public hearing. The Board has set up a procedure whereby the jurisdiction sends to the Board details of the notice of the hearing, and at the same time sends a copy of the borrowing resolution. Before the application is dealt with formally, the Board requires details of any submissions at the hearing. These submissions could be a factor in the Board's requiring a vote to be held. Mr. Janzen further mentioned that details of the borrowing procedures are sent to a school authority as soon as the Board receives a copy of the Departmental E-One form relating to a project.

Mr. Bean suggested that Mr. Janzen should attend association seminars at Regina and Saskatoon, in order to be able to give information regarding procedures.

(d) Hospitals

Mr. Moen, the hospitals' representative, mentioned that he had nothing to bring to the Board's attention regarding complaints, criticisms, etc. The Board's attitude to delegations was appreciated by all concerned. He further mentioned that the hospitals association had a quarterly publication, which would be open to the Board for publication of news releases regarding procedures, etc.

Mr. Rosenberg mentioned that part of the reason for large expenditures in the health field is to keep doctors happy, i.e. if a special machine or item of equipment is not obtained, a doctor might leave the area.

Mr. Bean asked whether there is a "computational mill rate" for hospitals, similar to schools, and wondered how the amount of a hospital's requisition was calculated.

Mr. Moen replied that, in calculating a hospital requisition, many factors were considered. Typical financial requirements taken into account would be the current instalment of principal and interest to service borrowing for capital purposes, current and projected deficits, a levy to cover deficits from previous years, anticipated purchases of capital equipment and

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improvements, expenditures for special purposes (e.g. a subsidy to an ambulance program), or the financing of ancillary operations (e.g. involvement in providing housing for medical staff, etc.).

Mr. Brady mentioned the 2-mill contribution under the Hospital Revenue Act, and wondered whether the 2 mills was adequate under present-day conditions.

4. Markets for the Sale of Debentures

It was mentioned that the market was very volatile at the moment, but that there had been no serious problems regarding the sale of debentures. Small communities usually market on a local basis, and can sell up to one half of an issue to the Municipal Financing Corporation if unable to dispose of the whole issue locally. One of the Board's conditions relating to a permission to borrow by way of debenture issue is that the debentures are to be sold at a price satisfactory to the Board before a contract is let. Currently, debentures are selling at 10-1/4% in years one to two, 10-1/2% in years three to six, and at 10-3/8% in years seven to ten. Long-term rates are lower than mid-term rates, possibly indicating that interest rates in general have peaked, and that there will be reduction in rates in coming years.

Mr. Brady asked whether the Board has a written procedure available regarding selling debentures. Mr. Janzen replied that each case is treated as an individual one, and that administrators are encouraged to consult with the Board and other agencies dealing with this matter.

5. Debt Limits

The present statutory provisions are a maximum debenture debt of 5% of the taxable assessment in the case of rural municipalities, 25% of the taxable assessment in the case of urban municipalities. There is no statutory maximum debt for hospitals or school jurisdictions. It was pointed out that the percentages should not be regarded as targets or goals, but should be treated as absolute limits.

6. Capital Trust Funds

Mr. Steiert requested data relating to capital trust fund transactions during the past three years (this was supplied). Mr. Janzen requested information as to whether any municipalities had criticised the Board for promoting the establishment and use of capital trust funds. The rural and urban representatives were not aware of any such criticism.

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7. Cash Down-payments

Mr. Rosenberg mentioned that the present Board policy was that the current year budget should include provision for one year's debt retirement. This applied to all borrowings repayable beyond the current year, whether by way of debenture issue, bank loan, or capital trust fund withdrawal. The intent of this policy is that the Council initiating the borrowing has to take responsibility for one year's repayment of the loan. There had been no adverse comments regarding this policy.

In the case of schools, where the Department indicated a down-payment on the Form E-One as part of the financing, this down-payment was usually calculated on the basis of a ten year debenture issue. If a bank loan repayable over a shorter term was employed instead of a debenture issue, the down-payment would have to be increased accordingly, in order to provide one year's debt retirement.

8. (a) Other Matters of Interest - None indicated.

(b) Role of Local Government Board - no comments made.

The Chairman thanked those in attendance for their contributions to the meeting, and for their informative comments.

The meeting adjourned at 12:05 p.m.

"J. F. Chaney"

J. F. Chaney,
Secretary.